

BUDGET, FINANCE & INVESTMENT COMMITTEE

May 11, 2010

5:30 P.M.

Courthouse

MINUTES:

Members Present:

Comm. Bob Bullen
Comm. Joe Frank Jernigan
Comm. Will Jordan
Comm. Robert Peay
Comm. Steve Sandlin
Comm. Doug Shafer
Comm. Joyce Ealy

Others Present:

Ernest Burgess
Lisa Nolen
Mike Payne
Bill Boner
Sonya Stephenson
Jim Cope
Hooper Penuel

Others Present:

Rhonda McFerrin
Jennifer Gerhart
John Lodl
Teb Batey
Georgia Lynch
Brian Robertson
Mark King

Others Present:

Bart Smith
Barbara Seivers
Doug Brown
Elaine Short

Chairman Ealy presided and called the meeting to order at 5:30 P.M. with all members being present. The purpose of the meeting was to begin work on the 2010-11 budget.

APPROVE MINUTES:

The minutes of the April 29, 2010 Budget Committee meeting were presented for approval.

Comm. Shafer moved, seconded by Comm. Jernigan to approve the minutes as presented. The motion passed unanimously by acclamation.

2010-11 BUDGET REVIEW:

Chairman Ealy reported that the Budget Committee met on April 29 at which time the Finance Director presented an overview of the 2010-11 budget as recommended by the County Mayor. Chairman Ealy advised that a revised certified property tax rate of 2.4652 was being provided. She advised that the certified tax rate was adjusted based on additional information from the state because of new construction generating some additional revenue.

Chairman Ealy advised that the Budget Committee would be making the decision as to whether to recommend the certified property tax rate or something greater. Because the revised tax rate will provide additional revenue, the committee will also need to make a decision as to how to allocate the tax rate. Chairman Ealy also stated that it was being proposed to use \$14 million of the undesignated fund balance to help fund the 2010-11 budget.

This work session focused on the General Administration and Finance Departments of the General Fund.

2010 GENERAL FUND

COMMUNITY LEARNING:

Dr. Michael Payne, Community Learning Center, was present to answer questions from the committee regarding the 2010-11 Community Learning Center budget. The recommendation from the County Mayor totaled \$236,756. Dr. Payne advised that the recommended budget was .3% over last year's budget.

Mayor Burgess advised that the budget reflected a slight increase in the salary and benefits.

Dr. Payne advised that he accepted the County Mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Community Learning Center budget as recommended by the County Mayor totaling \$236,756. The motion passed unanimously by acclamation.

COUNTY COMMISSION:

The Finance Director advised that the County Mayor's recommendation for the 2010-11 County Commission budget totaled \$203,470, which was the same as the previous fiscal year.

Comm. Bullen moved, seconded by Comm. Jordan to approve the 2010-11 County Commission budget as recommended by the County Mayor totaling \$203,470. The motion passed unanimously by acclamation.

FOUR YEAR REAPPRAISAL PLAN:

Mayor Burgess requested approval of a Resolution, which was prepared by the State Board of Equalization, to approve a Four-Year Reappraisal Plan for Rutherford County.

Comm. Jordan moved, seconded by Comm. Sandlin to approve the Four-Year Reappraisal Plan and forward a Resolution stating the same to the County Commission. The motion passed unanimously by roll call vote.

It was noted that the county would not be receiving the reappraisal grant from the state in the coming fiscal year.

PROPERTY ASSESSOR BUDGET AMENDMENT:

Mr. Bill Boner, Property Assessor, requested approval of the following budget transfer to provide sufficient funding for the Data Processing Services Account to complete the Fiscal Year:

From: 101-52300-169 - Part Time Personnel -	\$9,303
To: 101-52300-317 - Data Processing Services -	\$9,303

Comm. Jernigan moved, seconded by Comm. Peay to approve the budget transfer for the Property Assessor's Office transferring \$9,303 from Account 101-52300-169, Part Time Personnel, to Account 101-52300-317, Data Processing Services. The motion passed unanimously by roll call vote.

BOARD OF EQUALIZATION:

The County Mayor's recommendation for the 2010-11 Board of Equalization budget totaled \$23,270, which was the same as the prior fiscal year.

Comm. Shafer moved, seconded by Comm. Jernigan to approve the 2010-11 Board of Equalization budget as recommended by the County Mayor. The motion passed unanimously by acclamation.

PROPERTY ASSESSOR:

The County Mayor's recommendation for the 2010-11 Property Assessor budget totaled \$1,818,765.

Mayor Burgess advised that he was requesting to revise his recommendation by increasing Account 101-52300-196, In-Service Training, from \$8,000 to \$22,000. Mr. Boner has advised that it will be necessary to upgrade to version five of the software, which will require training of all employees. Staff from Colorado Customs, Inc. will come to Rutherford County to conduct the training. The additional funding will cover the travel expenses for Colorado Customs, Inc. The revised recommendation for the 2010-11 Property Assessor budget totaled \$1,832,765.

Another significant increase to the budget was Account 101-52300-709, Data Processing Equipment, from \$44,600 for 2009-10 to \$127,000 for computer upgrades and replacement, and upgrading to the next version of the reappraisal software.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Property Assessor budget with the revised recommendation from the County Mayor totaling \$1,832,765. The motion passed unanimously by acclamation.

REAPPRAISAL:

The County Mayor's recommendation for the 2010-11 Reappraisal Program budget totaled \$565,134, which reflected a decrease from the 2009-10 budget.

Mr. Boner advised that he agreed with the County Mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Reappraisal Program budget as recommended by the County Mayor totaling \$565,134. The motion passed unanimously by acclamation.

2010-11 COUNTY MAYOR:

Mayor Burgess presented the 2010-11 County Mayor's budget, which totaled \$356,121, which reflected a \$300 increase over the 2009-10 budget. He advised that there were no changes in the budget except for the necessary increases for salaries and benefits.

Comm. Bullen moved, seconded by Comm. Jernigan to approve the 2010-11 County Mayor's budget totaling \$356,121. The motion passed unanimously by acclamation.

Comm. Peay stated that when the census is completed this year, he would assume that it would mean salary increases for the elected officials. He asked if that had been taken into consideration when preparing the budget.

Mayor Burgess advised that was not included in the budget. He explained that he and the Finance Director had decided that the budget would be amended at the time when Rutherford County's category was determined.

HUMAN RESOURCE:

Mrs. Sonya Stephenson was present to answer questions regarding the 2010-11 Human Resource budget totaling \$184,527 as recommended by the County Mayor.

Mayor Burgess advised that the budget reflected a continuation budget and was \$661 less than the current budget.

Comm. Sandlin moved, seconded by Comm. Jordan to approve the 2010-11 Human Resource budget totaling \$184,527 as recommended by the County Mayor. The motion passed unanimously by acclamation.

COUNTY ATTORNEY:

Mr. Jim Cope, County Attorney, was present to answer questions regarding the 2010-11 County Attorney budget totaling \$255,707 as recommended by the County Mayor.

The Finance Director advised that Account 101-51400-101, County Official/Administrative, was budgeted at \$72,000, which reflected the amount in the agreement. The budget also reflected a new line item for legal services, 101-51400-331, budgeted at \$37,800, to cover the costs of any outside legal services needed.

Comm. Bullen moved, seconded by Comm. Jernigan to approve the 2010-11 County Attorney budget totaling \$255,707 as recommended by the County Mayor. The motion passed unanimously by acclamation.

ELECTION COMMISSION:

Mr. Hooper Penuel, Election Registrar, was present to answer questions regarding the 2010-11 Election Commission budget.

The Finance Director advised of changes to Accounts 101-51500-189, Other Salaries and Wages, from \$217,820 to \$219,085; 101-51500-201, Social Security, from \$26,730 to \$26,810; 101-51500-204, State Retirement from \$38,220 to \$38,380; and 101-51500-212, Employer Medicare, from \$6,250 to \$6,270. The total revised 2010-11 Election Commission budget was \$838,682.

Mayor Burgess advised that the largest increase was in Account 101-51500-351, Rentals, recommended at \$102,000, which reflected an increase over 2009-10 of \$100,000. This account will be used to rent voting machines for the upcoming elections. This expense will be reimbursed by the state. The Election Workers Account also reflected an increase due to the upcoming elections in August and November.

Mr. Penuel advised that he accepted the County Mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Election Commission budget as revised totaling \$838,682. The motion passed unanimously by acclamation.

REGISTER OF DEEDS:

Mrs. Jennifer Gerhart, Register of Deeds, was present to answer questions from the committee regarding the 2010-11 Register of Deeds budget totaling \$185,426 as recommended by the County Mayor.

Mayor Burgess advised that Account 101-51600-317, Data Processing Services, reflected an increase over the current year of \$80,000.

She advised that her office would be conducting a scanning project, which would cost approximately \$80,000. She explained that deeds dated back to 1804 would be scanned so that all of the deeds would be on the computer.

The Finance Director reminded the committee that the Register of Deeds reserve account would be used to help fund the scanning project.

Mrs. Gerhart explained that the funds would be used to pay the services of a company to come into her office and scan the deeds.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Register of Deeds budget totaling \$185,426 as recommended by the County Mayor. The motion passed unanimously by acclamation.

COUNTY BUILDINGS:

The County Mayor's recommendation for the 2010-11 County Buildings budget totaled \$1,647,332. The Part Time Personnel Account reflected an increase for additional cleaning personnel due to picking up the new County Clerk building. Reductions were reflected in Utilities and Building Improvements.

Comm. Sandlin moved, seconded by Comm. Peay to approve the 2010-11 County Buildings budget totaling \$1,647,332 as recommended by the County Mayor. The motion passed unanimously by acclamation.

ARCHIVES:

Mr. John Lodl, County Archives Director, was present to answer questions regarding the 2010-11 Archives budget totaling \$118,422 as recommended by the County Mayor. The budget reflected a decrease from the current year of approximately \$14,000.

Mr. Lodl advised that the current year budget reflected two grants from the state that were not in the 2010-11 budget. He stated that he accepted the County Mayor's recommendation.

Comm. Bullen moved, seconded by Comm. Peay to approve the 2010-11 Archives budget as recommended by the County Mayor totaling \$118,422.

INSURANCE DEPARTMENT:

Mrs. Sonya Stephenson, was present to answer questions regarding the 2010-11 Insurance Department budget as recommended by the County Mayor totaling \$498,817.

Mayor Burgess advised that Account 101-51920-105, Supervisor/Director, was being recommended at \$76,202, which reflected an increase of \$11,112. He stated that it was imperative that the salary for the director of the Insurance Department be increased. Mayor Burgess advised that he was also recommending that the Part Time Wellness Coordinator be moved to full time status.

Mayor Burgess advised that the goal would be to offer incentives to employees who participate and complete programs to improve their health. It was estimated that the return from the health incentive programs would more than offset the cost of moving the wellness coordinator to full time status.

Mrs. Stephenson advised that she and Ms. Miller had looked at wellness programs across the nation. She advised that last year, the county applied to the American Heart Association to be part of the "Gold Fit" program, which stated that Rutherford County was doing things to ensure that employees were living a healthy lifestyle. She stated that Rutherford County received that award nationwide. She stated that one of the measures that Rutherford County was missing was being able to track the information and award incentives. She stated that all of the programs across the nation that were looked at offered incentives.

Mayor Burgess advised that Account 101-51920-599, Other Charges, reflected an increase of \$17,500, but that was offset with revenue in the amount of \$10,000 from CIGNA and \$7,500 from the Casualty carrier to be used for safety programs.

Following review, Comm. Jernigan moved, seconded by Comm. Shafer to approve the 2010-11 Insurance Department budget as recommended by the County Mayor totaling \$498,817. The motion passed unanimously by acclamation.

FINANCE DEPARTMENT:

The County Mayor's recommendation for the 2010-11 Finance Department totaled \$906,585.

The Finance Director advised that she accepted the Mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Jordan to approve the 2010-11 Finance Department budget totaling \$906,585 as recommended. The motion passed unanimously by acclamation.

TRUSTEE'S OFFICE:

Mr. Teb Batey, County Trustee, was present to answer questions regarding the 2010-11 Trustee's budget as recommended by the County Mayor totaling \$73,950.

Mr. Batey advised that he accepted the County Mayor's recommendation.

Comm. Bullen moved, seconded by Comm. Jernigan to approve the 2010-11 Trustee's Office budget totaling \$73,950 as recommended by the County Mayor. The motion passed unanimously by acclamation.

COUNTY CLERK:

Mrs. Georgia Lynch, County Clerk, was present to answer questions regarding the 2010-11 County Clerk budget. The County Mayor's recommendation totaled \$149,400. The budget reflected a decrease due to no lease payments on the building being in the budget. However, Mayor Burgess advised that principal and interest payments on the new building were included in the Debt Service Fund budget.

Mrs. Lynch advised that Account 101-52500-307, Communications, could be reduced from \$28,700 to \$20,000. The revised total was \$140,700.

Comm. Jordan moved, seconded by Comm. Sandlin to approve the 2010-11 County Clerk budget as revised totaling \$140,700. The motion passed unanimously by acclamation.

GEOGRAPHIC INFORMATION SYSTEMS:

Mr. Brian Robertson, Information Technology Director, and Ms. Barbara Seivers, were present to answer questions regarding the 2010-11 Geographic Information Systems budget totaling \$653,149 as recommended by the County Mayor. The budget reflected a decrease of \$168,143. Account 101-51760-799, Other Capital Outlay, reflected a reduction of \$200,000 due to it being an off year for the flyover.

Mr. Robertson advised that the increase in Data Processing Equipment was for a large plotter, which could be used by the Property Assessor's Office or the Planning Department.

Mr. Robertson advised that he accepted the County Mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Geographic Information Systems budget totaling \$653,149 as recommended by the County Mayor. The motion passed unanimously by acclamation.

INFORMATION TECHNOLOGY:

The County Mayor's recommendation for the 2010-11 Information Technology budget totaled \$1,641,488.

Mayor Burgess advised that Account 101-52600-709, Data Processing Equipment, reflected an increase over the current year of \$178,000.

Mr. Robertson advised that the increase was due to a large storage device for the Property Assessor's Office and the Sheriff's Department. He stated that by including another \$60,000 with that an even larger device could be purchased. The equipment will reside in the courthouse and will not only serve the needs of the Assessor's Office and the Sheriff's Department, but could be used to serve other needs, as well, such as the Ambulance patient records.

It was noted that the Property Assessor's and the Sheriff's Department's budgets were reduced by \$45,000 each, and the Emergency Management's budget was reduced by \$15,000 due to their server being near capacity with the money being placed in the Information Technology Department budget to provide funding for the storage device to serve all of these departments.

Mr. Robertson advised that he accepted the County Mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2010-11 Information Technology Department budget totaling \$1,641,488 as recommended by the County Mayor. The motion passed unanimously by acclamation.

Comm. Sandlin questioned salary increases for department heads as to why they were already included in the budget and not being addressed at the end of the budget discussion.

The County Mayor and the Finance Director advised that the department heads were on the same salary table as other employees, and that their salary adjustments were included in the budget the same as other county employees.

ADJOURNMENT:

Chairman Ealy advised that the next Budget Committee meetings were scheduled for Monday, May 17 and Tuesday, May 18 at 5:30 P.M. On May 17, the Budget Committee will be dealing with the courts and the Public Safety Departments.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 6:32 P.M.

Elaine Short, Secretary